of the tea buying for overseas markets is done at Calcutta auctions. Thus, due to the strategic position of Calcutta and other infra-structural facilities available there, it has not been found possible to shift the headquarters of the Tea Board from Calcutta to Guwahati (Assam).

Representation received from West Bengal Central Cooperative Land Development Banks Limited Employees Association

1825. SHRI SAMAR MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received representations from the West Bengal Central Cooperative Land Development Banks Limited Employees Association urging for bringing the land development banks under the purview of Banking Companies Regulation Act ;

(b) whether it is also a fact that the employees of these Banks are not receiving their salaries for the last couple of months ;

(c) if so, what action Government have taken or propose to take in the matter ; and

(d) what other steps Government are taking to protect these banks from being liquidated ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) to (d) Govern ment have received certain representations including that from the West Bengal Central Cooperative Land Development Banks Ltd., Employees Association, for bringing the Land Development Banks under the purview of Banking Companies Regulation Act. In this connection, it may be stated that Land Development Banks (LDBs) are mainly engaged in dispensation of term credit for investment in agricultural sector. By the nature of their constitution and set up, they are not to do all types of banking business including acceptance of deposits repayable on demand. However, as per existing scheme, LDBs are allowed to accept deposits for period not less than one year and exceeding two years. In view of the above it has not been found possible to declare the LDBs as Banking Companies under Banking Regulation Act, 1949.

As per report received from the National Bank for Agriculture and Rural Development (NABARD) the salary structure of West Bengal Central Cooperative Land Development Bank (WSCCLDB) is stated to be controlled by a bipartite agreement, last review being made in 1988 and is again to be reviewed after a gap of 5 years since the last review. It has been further reported by NABARD that except two Primary Land Development Banks (PLDBs), no other PLDB/ Unit of Central Land Development Bank/WBCCLDB was considered for liquidation.

Average rate of recovery of rural loans

1826. SHRI VIREN J. SHAH : Will the Minister of FINANCE be pleased to state :

(a) what is the percentage of bad debts and the rate of recovery of rural loans ;

(b) what are the reasons for the low recovery of such loans ;

(c) whether it is a fact that Government's recent decision to waive off recovery of loans upto Rs. 10,000/- has exacerbated the situation, if so, upto what extent ; and

(d) what steps are proposed to be taken to rectify the situation ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) As per data available from Reserve